

Premium Discounts for Hurricane Loss Mitigation

Company Name: LIBERTY MUTUAL FIRE INSURANCE COMPANY
Line of Business: Homeowners
Program Name: Liberty Guard Homeowners, Deluxe Homeowners, Tenants, Condominium and Dwelling Fire
Policy Type: HO2, HO3, HO4, HO6, DP2, DP3

The risk of loss from a hurricane is something that each Floridian faces. We know that hurricanes cannot be prevented, but many Floridians are not aware there are things they can do to better protect their property from damage or destruction. Certain construction techniques and features are very effective in protecting your property. If your property has these unique characteristics, you may qualify for a **discount on your property insurance premiums**.

What are the some of the construction techniques and features?

There are many different construction techniques and features. Some of the most common generally fall into one of the categories listed in below.

<p>2001 Florida Building Code Compliance (FBC)</p> <p>Homes built in compliance with the 2001 Florida Building Code receive a significant discount as a result of the features required by the new code.</p> <p>How do I get this discount: (companies to provide answer) Completion of the Windstorm Mitigation Verification Affidavit is necessary to determine any applicable credits that apply due to the construction methods utilized when building your home. This form is necessary to capture the windstorm features of your home. The Windstorm Mitigation Verification Affidavit is to be completed upon your initial application for coverage and is made available within your renewal packet at each renewal.</p>	<p>Up to 45%</p>
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<p>Roof Shape</p> <p>Hip Roof – A roof that is sloped on all four sides like a pyramid.</p> <p>Other roof shapes</p> <p>How do I get this discount? (companies to provide answer) The roof shape criterion is found in the Windstorm Mitigation Verification Affidavit form. Section I includes options for the style of roof that your home has. If your home does have a hip style roof, please return two pictures of your home. One picture from the front view and one picture showing the side view should be submitted. Please be sure the roof is fully visible in the pictures. The pictures should be submitted along with your completed Windstorm Mitigation Verification Affidavit form.</p>	<p>Up to 45%</p> <p>Up to 42%</p>
<p>Opening Protection</p> <p>Shutters</p> <p>Special/Impact Resistant glass</p> <p>How do I get this discount: (companies to provide answer) The topic of opening protection, which includes windstorm shutters, is addressed in Section I of the Windstorm Mitigation Verification Affidavit form. Please note that proof of shutter installation and documentation indicating the shutters meet the South Florida Building code requirements must accompany the Windstorm Mitigation Verification Affidavit form to be eligible for the wind storm shutter discount. However, if your home is located in Dade or Broward Counties and the home was permitted for construction after March 1, 2002, documentation is not necessary.</p>	<p>Up to 45%</p> <p>Up to 45%</p>
<p>Roof Deck Attachment</p> <p>6d nails or screws 8d nails or screws Dimensional lumber</p> <p>How do I get this discount: (companies to provide answer) Section II of the Windstorm Mitigation Verification Affidavit form addresses the type of Roof Deck Attachment your home may have. If your home received a construction permit prior to March 1, 2002, this section should be completed by a resident licensed Building Contractor, Licensed Building Inspector, Registered Architect or Engineer in the State of Florida or a Building Code official (who is duly authorized by the state of Florida or its county's municipalities, to verify building code compliance).</p>	<p>Up to 45%</p>
<p>Roof Covering</p> <p>Asphalt shingles Wood shingles Clay or concrete tiles Metal panels Other roof covering</p> <p>How do I get this discount: (companies to provide answer) Section II of the Windstorm Mitigation Verification Affidavit form addresses the type of Roof Covering your home may have. If your home received a construction permit prior to March 1, 2002, this section should be completed by a resident licensed Building Contractor, Licensed Building Inspector, Registered Architect or Engineer in the State of Florida or a Building Code official (who is duly authorized by the state of Florida or its county's municipalities, to verify building code compliance).</p>	<p>Up to 45%</p>
<p>Roof to Wall Connectors</p> <p>Clips Single or Double Wraps Toe Nails/Screws Structurally Connected Other roof to wall connectors</p> <p>How do I get this discount: (companies to provide answer) Section II of the Windstorm Mitigation Verification Affidavit form discusses the type of Roof to Wall Connectors your home may have. If your home received a construction permit prior to March 1, 2002, this section should be completed by a resident licensed Building Contractor, Licensed Building Inspector, Registered Architect or Engineer in the State of Florida or a Building Code official (who is duly authorized by the state of Florida or its county's municipalities, to verify building code compliance).</p>	<p>Up to 45%</p>

Calculating Your Discount

There are several important facts that you must understand prior to estimating any discounts to which you may be entitled. They are as follows:

First, the discounts for the construction techniques and features listed above are not cumulative. In other words, **you simply cannot add up the above items to arrive at your**

discount. These construction techniques and features work together and your total discount is a function of all the property's features;

Second, as noted above, some of these construction techniques and features require independent certification from a licensed expert;

Finally, your policy premiums are generally separated into two parts, the "wind" portion and the "non-wind" portion. Any applicable discounts are applied only against the "wind" portion of your premium.

Now that we understand a little more about the application of the discounts, lets look at some examples. All of the examples below are for a residential structure. The policy premium is assumed to be \$1,000 prior to any discounts; the "wind" portion is \$600 and the "non-wind" portion is \$400.

Example #1

Construction techniques and features for a home constructed in 2003 located within 1,500 feet of the coastline:

- Complies with the minimum requirements of the 2001 Florida Building Code
- No Shutters
- No Hip Roof Shape

Applicable discount based on the techniques and features discount is 34 %

Policy Premium \$1000

Less (discount of 34 % X "wind" premium = (\$600))

New Policy Premium after discounts \$796

Example #2

Construction techniques and features for a home constructed in 2003 located within 1,500 feet of the coastline:

- Complies with the minimum requirements of the 2001 Florida Building Code
- Shutters
- Hip Roof Shape

Applicable discount based on the techniques and features discount is 41 %

Policy Premium \$1000

Less (discount of 41 % X "wind" premium = (\$600))

New Policy Premium after discounts \$754

Example #3

Construction techniques and features for a home constructed in 1999 located within 1,500 feet of the coastline:

- Asphalt shingles connected with 6d nails
- No Shutters

- No Hip Roof Shape

Applicable discount based on the techniques and features discount is 41 %

Policy Premium \$1000

Less (discount of 41 % X “wind” premium of \$600)(\$xxxx)

New Policy Premium after discounts \$754

Example #4

Construction techniques and features for a home constructed in 1999 located within 1,500 feet of the coastline:

- Asphalt shingles connected with 6d nails
- Shutters
- Hip Roof Shape

Applicable discount based on the techniques and features discount is 43 %

Policy Premium \$1000

Less (discount of 43 % X “wind” premium of \$600)(\$xxxx)

New Policy Premium after discounts \$742

Summary

These examples represent only a few of the many possible combinations of construction techniques and features that exist. There may additional construction techniques and features that are not listed on this form because they are not common in residential construction. If you have further questions about the construction techniques and features herein or other construction techniques and features that could result in a discount, please contact your agent or the company atXXX-XXX-XXXX.